Aboriginal Affairs
and Northern Development

Annual Report 2002-2003

PARTNERING FOR PROGRESS

Alberta
ABORIGINAL AFFAIRS AND
NORTHERN DEVELOPMENT

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Aboriginal Affairs and Northern Development

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PARTNERING FOR PROGRESS

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Preface

Public Accounts 2002-03

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta, released June 24, 2003, contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Aboriginal Affairs and Northern Development (AAND) contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes other financial information as required by the *Financial Administration Act and Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2003, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at August 27, 2003 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Pearl Calahasen, MINISTER
Aboriginal Affairs and Northern Development

Message from Minister Calahasen

I am pleased to introduce Aboriginal Affairs and Northern Development's second annual report. This report demonstrates our ongoing efforts and successes in advancing Aboriginal well-being and self-reliance through the principles and commitments of Alberta's *Aboriginal Policy Framework*, Aboriginal Policy Initiative and Ministry business plan.

AAND is working with all ministries to strengthen the province's relationships with Aboriginal governments, organizations and communities. In addition, we participate in a variety of interprovincial and national initiatives, such as the creation of the National Aboriginal Organization Youth Advisory Committee, that bring together partners to advance the well-being of First Nations, Metis and Inuit people.

In the past year, AAND addressed socioeconomic opportunities for Aboriginal people by continuing to link with partners to provide training, employment, and entrepreneurship opportunities. The Ministry also supported capacity-building projects intended to help Aboriginal communities to set their own priorities, develop a sustainable economic base and participate effectively in partnerships with government and the private sector.

Our focus is on partnership and co-operation that ultimately benefits all parties working to address Aboriginal concerns. This past year's Piikani settlement is an example of what can be achieved when everyone works together.

The Ministry and the Northern Alberta Development Council co-operate to advance economic opportunities in various sectors including tourism, value-added agriculture and forestry, recycling, and water conservation. Raising awareness of northern opportunities and priorities will continue, including efforts to secure more infrastructure improvements and benefits from development of northern resources.

We continue to be committed to seeing Aboriginal people and Northerners recognized as leading contributors to and active participants in the Alberta Advantage. Partnerships are developing, relationships are being strengthened, and it's an honour to be part of these efforts.

Pearl Calahasen, MINISTER
Aboriginal Affairs and Northern Development

Management's Responsibility for Reporting

The Ministry of Aboriginal Affairs and Northern Development includes the Department of Aboriginal Affairs and Northern Development and the Northern Alberta Development Council. The Metis Settlements Appeal Tribunal reports to the Minister.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Aboriginal Affairs and Northern Development. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Aboriginal Affairs and Northern Development any information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

Patricia Meade, DEPUTY MINISTER
Aboriginal Affairs and Northern Development
August 27, 2003

Organizational Overview

The Ministry of Aboriginal Affairs and Northern Development (AAND) leads implementation of the Government of Alberta's *Aboriginal Policy Framework* (APF), which is intended to improve the well-being and self-reliance of Aboriginal people and to guide Alberta's relations with Aboriginal governments, communities, and organizations. The Minister of AAND is also responsible for the administration of Metis Settlements legislation.

AAND contact information: (780) 415-0900; www.aand.gov.ab.ca

Sections Within the Ministry

The following sections are part of the Ministry of Aboriginal Affairs and Northern Development:

- ABORIGINAL LAND AND LEGAL ISSUES
  This section helps identify and resolve land-based issues in Alberta, coordinates all provincial government activities regarding Aboriginal land claims, and works with Alberta Justice to represent Alberta's interests in litigation.

- ABORIGINAL INITIATIVES
  Aboriginal Initiatives works with Aboriginal communities and other partners to enhance social and economic opportunities for Aboriginal people within Alberta. This work includes implementing the *Aboriginal Policy Framework* and providing support across government for the cross-ministry Aboriginal Policy Initiative. This section also oversees a number of agreements between the Alberta government and Aboriginal groups and is responsible for administration of the Metis Settlements legislation.

- STRATEGIC SERVICES
  Strategic Services coordinates the implementation of government-wide strategies, including the cross-ministry Aboriginal Policy Initiative. This section also publishes research and statistical reports about Aboriginal communities and people in Alberta, coordinates AAND participation in intergovernmental processes, and leads corporate planning for the Ministry.

- OFFICE OF THE SENIOR FINANCIAL OFFICER / CHIEF INFORMATION OFFICER

  The Office of the Senior Financial Officer/Chief Information Officer coordinates the provision of financial services, human resources services, information technology and administration for the Ministry, through shared service arrangements with Alberta International and Intergovernmental Relations, Alberta Learning, and the Alberta Corporate Service Centre.

- COMMUNICATIONS

  Communications provides strategic communications planning, issues management, and media monitoring and relations services. This section also coordinates website development, advertising, and printing.

Other Entities Within the Ministry

- NORTHERN ALBERTA DEVELOPMENT COUNCIL (NADC)

  The NADC is a council of and for northerners, working to advance northern social and economic development. The NADC works in partnership with the private sector, communities, economic development agencies, Aboriginal groups, and government ministries. Gary Friedel, MLA, chairs the Council and reports to the Minister of AAND.

  NADC offices are located in Peace River, Lac La Biche, and Edmonton. Staff reports through an Executive Director to the Deputy Minister of AAND.

  NADC contact information: (780) 624-6274; www3.gov.ab.ca/nadc

Other Entities Reporting to the Minister

- METIS SETTLEMENTS APPEAL TRIBUNAL (MSAT)

  The MSAT, a quasi-judicial body, hears land and membership appeals between Metis Settlement members and councils. The Chair of MSAT reports to the Minister of AAND. The Minister and the Metis Settlements General Council both appoint members to the Tribunal. Staff reports through the Secretary of the Tribunal to the Deputy Minister of AAND.

  MSAT contact information: (780) 422-1541; www.msat.gov.ab.ca

Chart of Ministry Entities

Operational Overview

Mission

The mission of Aboriginal Affairs and Northern Development is to:

- raise awareness of Aboriginal and Northern perspectives and issues,
- promote government-wide strategies,
- provide specific initiatives to improve the well-being and self-reliance of Aboriginal people and Northern Albertans, and
- advance the development of Aboriginal communities and Northern Alberta.

Core Businesses

The Ministry has two core businesses: Aboriginal Relations and Northern Development. Key services provided by the Ministry are to:

- promote and facilitate effective relations between the Province and First Nations and Metis Settlement governments, First Nation and Metis organizations, businesses and people, as well as with northern Alberta municipalities and people,
- manage the Province's legal and constitutional obligations with respect to First Nations, Metis and other Aboriginal people,
- assist the ongoing development of accountable, self-administering, self-regulating, and self-reliant Metis Settlement governments, and
- promote and coordinate the economic and social development of Aboriginal and northern communities.

Role of the Ministry

AAND is not a program ministry. Instead it serves as a catalyst, coordinator and facilitator in developing and implementing Aboriginal policies, programs and services across government. AAND relies on the active support of other ministries and agencies in addressing Aboriginal issues. AAND also communicates government programs and policies to Aboriginal people, industry and other interested parties.

Key Factors that Influenced Performance

During 2002-03, AAND's profile continued to increase with other ministries, industry and local governments. The Ministry's involvement with Aboriginal governments, communities and organizations is also increasing, especially in the area of First Nations and self-government negotiations. AAND is also involved in substantial discussions with Metis Settlements with respect to legislative changes prior to 2007.

AAND has become increasingly engaged in other cross-ministry initiatives as well as assisting other ministries to undertake appropriate discussions with Aboriginal communities on a wide variety of issues. These discussions ranged from a province-wide water strategy to negotiations with specific communities on child welfare issues.

AAND is also increasingly engaged in a growing number of court cases concerning the assertion of Aboriginal rights.

Key Activities

Alberta AAND was involved in numerous activities during 2002-03, which are described further in the Results Analysis section of this report. The following information outlines activities, improvements, and major consultation processes that took place during the year.

- *ABORIGINAL POLICY FRAMEWORK*

  Fulfilling the commitments to action documented in *Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework (APF)* drives many of AAND's business goals and strategies. The *APF* provides the structure for existing and new government policies to address Aboriginal issues. It provides a blueprint for working with Aboriginal people and enables AAND to facilitate Aboriginal input into strategies being developed by other provincial ministries, such as Alberta Health and Wellness, Learning, and Human Resources and Employment. (Examples include the Alberta Tobacco Reduction Strategy and expansion of diabetes-screening programs to Metis Settlements, the Alberta Aboriginal Apprenticeship Program and Aboriginal Data Collection Initiative, and the First Nations Trades Training Program and *Defining the Path: Alberta Human Resources & Employment Aboriginal Strategy*.)

AAND's accomplishments in 2002-03 toward implementation of *APF* commitments to action included economic and social initiatives, capacity-building, and consultation. AAND assisted in developing new and redesigned programs directed toward serving the needs of Aboriginal people in Alberta. The Ministry is currently involved in developing data-sharing agreements to enable the Government of Alberta to begin incorporating traditional use data into provincial land use planning and administration processes.

- INCREASING CULTURAL AWARENESS

AAND continued to work to improve relations between Alberta ministries and Aboriginal people and to raise awareness and inclusiveness of Aboriginal people among the Alberta public. AAND coordinated provincial government participation in the Alberta Chiefs' Summit process and in the Treaty 6, 7 and 8 Elders' Conference (held at Wabasca in August 2002). The Ministry assisted in facilitating Aboriginal input into other provincial government strategies (e.g., *Water for Life*, Alberta's draft strategy for sustainability).

September 2002 marked the 125th Anniversary of the signing of Treaty 7. AAND coordinated provincial support for and participation in the Commemoration Event held at Blackfoot Crossing on the Siksika Reserve. The Ministry also participated in Alexander First Nation's 125th anniversary of its adhesion to Treaty 6.

AAND participated in signing ceremonies to mark settlements of the Cold Lake and Alexander First Nations Specific Claims, and other ceremonies and celebrations throughout the year, including Metis Week cultural events. The Ministry participated in National Aboriginal Day activities–held throughout Alberta from June 17-21, 2002. AAND worked with Alberta Community Development and the Indigenous Sports Council of Alberta to support the Alberta team's attendance at the 2002 North American Indigenous Games held in Winnipeg from July 29 to August 4, 2002.

- ESTABLISHMENT OF THE OFFICE OF THE METIS SETTLEMENTS OMBUDSMAN

A key focus for the Ministry during 2002-03 was establishment of the Office of the Metis Settlements Ombudsman on April 1, 2003. Ministerial authority pursuant to the *Metis Settlements Act* was delegated to this office. Processes and protocols were developed for assessing and investigating complaints. The new Office of the Metis Settlements Ombudsman (MSO) is another step toward accountable, self-regulating Metis Settlements government.

- **RESOLUTION OF LAND AND OTHER CLAIMS**

  During 2002-03, AAND continued its work to settle land claims in a manner that promotes certainty and is fair and equitable to all parties. In 2002, the Piikani/Canada/Alberta Settlement Agreement was fully executed by all parties. The settlement agreement supports Piikani initiatives and the continued development of positive relationships among the parties; puts to rest some long-standing issues between the parties; and provides economic opportunities for the Piikani Nation.

- **OPPORTUNITY NORTH**

  The Northern Alberta Development Council (NADC) created a new Website and other materials to recruit staff to Northern Alberta. The new site–www.opportunitynorth.ca–features information on careers, communities and lifestyles, and insight into what it's like to live and work in Alberta's North.

- **ALBERTA-NORTHWEST TERRITORIES MOU**

  Co-Chairs of the Alberta-Northwest Territories Memorandum of Understanding for Co-operation and Development adopted a three-year implementation plan. The MOU provides a framework for Alberta and the NWT to co-operate on development in such areas as transportation, tourism, education, economic development and trade.

- **IMPROVING OPERATIONS, ACCOUNTABILITY AND RESPONSIVENESS**

  Ministry human resources plan: During 2002-03, AAND continued development and implementation of a Ministry human resource (HR) plan that reflects all Corporate Human Resource Plan priorities. The Ministry's HR plan complements the overall Government of Alberta Human Resource Development Strategy, a key cross-ministry administrative initiative.

  Business planning: During 2002-03, AAND developed a more focused approach to business planning that included involvement of all staff in examining current and potential roles and responsibilities. Business plan drafts were shared at two all-staff meetings. A meeting of Aboriginal and industry stakeholders also provided input. AAND's 2002-05 business plan formed the foundation for operational and individual performance planning. AAND's staff rated their involvement in business planning significantly higher than the average for other ministries. Corporate Employee Survey results indicate that 70% of AAND staff agreed that the Ministry helps them understand how their work contributes to achievement of the Ministry's business plan goals (the Government average is 57%).

Records management: AAND continued reviewing its records management procedures. The Strategic Services section's files were converted to comply with the government-wide records management program. Conversion of Aboriginal Initiative's files will continue in 2003-04.

Integration of the Metis Settlements Land Registry: Upon dissolution of the Metis Settlements Transition Commission on March 31, 2002, AAND became directly responsible for administration of the Metis Settlements Land Registry. The Land Registry is now part of the Ministry's Aboriginal Initiatives section. It is responsible for registration of interests in Metis Settlement lands and maintenance of Settlement membership lists.

Consultative Processes

- **DRAFT PROVINCIAL WATER STRATEGY *(Water for Life)***
  AAND organized a focus group for First Nations and Metis representatives to gather Aboriginal views for development of a draft provincial water strategy. AAND also created opportunities for Aboriginal participation in a forum convened by the Minister of Environment to validate findings from stakeholder consultations.

- **NORTHERN EAST SLOPES SUSTAINABLE RESOURCE AND ENVIRONMENTAL MANAGEMENT STRATEGY**
  AAND coordinated Aboriginal input into development of a sustainable resource and environmental management strategy for the Northern East Slopes Region. During 2002-03, AAND organized a two-day workshop with all participating Aboriginal communities. As a result, an Aboriginal chapter will be included in recommendations to the Minister of Environment in 2003-04.

- **HUMAN REMAINS STRATEGY**
  AAND is leading a cross-ministry initiative to develop a province-wide notification framework and protocol for unregistered human remains. During 2002-03, AAND and Alberta Community Development consulted with Aboriginal stakeholders as part of province-wide discussions on potential changes to the *Cemeteries Act*.

- *CHILD WELFARE ACT*

  AAND provided advice to Children's Services regarding approaches to secure the input of First Nations, First Nation agencies and Metis organizations into the design of regulations, policies and standards being developed to prepare for implementation of amendments to the *Child Welfare Act*.

- ALBERTA CHILDREN AND YOUTH INITIATIVE

  Partnering ministries have been working together on the development of an Aboriginal Youth Suicide Prevention Strategy.

- FRIENDSHIP CENTRES

  In 2002-03, the Minister of AAND continued discussions with community members at Friendship Centres across the province on the next steps for implementation of the *APF*.

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

In connection with the Ministry of Aboriginal Affairs and Northern Development's performance measures included in the *2002-2003 Annual Report of the Ministry of Aboriginal Affairs and Northern Development*, I have:

1. Agreed information from an external organization to reports from the organization, or where information is reported as not available, confirmed that this information is not available.
2. Agreed information from reports that originated within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the performance measures included in the *2002-2003 Annual Report of the Ministry of Aboriginal Affairs and Northern Development*.

Fred J. Dunn, FCA, AUDITOR GENERAL
Edmonton, Alberta
July 18, 2003

Results Analysis

Expense by Core Business

The Ministry's 2002-03 expenses by core business (thousands of dollars) are outlined in the table below.

	Comparable 2002-03 Budget	Comparable 2002-03 Actual	Comparable 2001-02 Actual
Aboriginal Affairs	$ 28,228	61,798	29,200
Northern Development	$ 1,954	1,953	1,829
Ministry Expenses	$ 30,182	63,751	31,029

Financial Results

The Ministry's financial performance was within budget. In addition to the Ministry's annual appropriation for 2002-03, authority for certain unbudgeted expenditures was obtained by way of Supplementary Estimate:

- A Supplementary Estimate of $32,150,000 was approved to provide for payments required under the July 16, 2002 settlement agreement with the Piikani Nation. An initial payment of $17,000,000 was made during 2002-03, with the balance of $15,150,000 to be paid over the next six years. The Piikani settlement marks the successful culmination of several years of negotiation and effectively resolves a number of water resource issues, including the impact of the Oldman River Dam on the community.
- A Supplementary Estimate of $1,400,000 was approved to provide $1,000,000 for start-up costs required for the implementation of the Aboriginal Consultation Initiative and $400,000 for costs related to negotiations with the Siksika Nation. The Aboriginal Consultation Initiative involves seven ministries and will commence in 2003-04.

In 2002-03, the Ministry entered into a three-year Memorandum of Understanding with the Athabasca Tribal Council. The Memorandum provides for provincial participation with the Athabasca Tribal Council and industry in a process to

address issues and opportunities related to resource development in the Fort McMurray area. Under the Memorandum, the Ministry provided the Athabasca Tribal Council with $400,000 in 2002-03 and will provide $250,000 in 2003-04 and 2004-05, with the Ministry of Energy contributing $50,000, in each of the three fiscal years, towards these costs. All costs are being absorbed within existing Ministry budgets.

Goal 1: *Aboriginal Policy Framework*

To lead or support the implementation of commitments to action in the *Aboriginal Policy Framework*.

INTRODUCTION

Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework (APF), outlines government policy and guides Alberta's relations with Aboriginal people. The *APF* applies across all Alberta ministries and commits the Government of Alberta to working with Aboriginal people, other governments, industry, and other interested parties toward two goals:

1) individual and community well-being and self-reliance and
2) clarification of federal, provincial, and Aboriginal roles and responsibilities.

AAND leads implementation of the *APF*; however, its 44 commitments to action require partnerships between provincial ministries, the Aboriginal community, other governments, and industry. AAND's accomplishments in 2002-03 toward implementation of *APF* commitments to action include economic and social initiatives, capacity-building, and consultation.

Economic opportunities: In 2002-03, AAND worked with partners to provide training, employment, and entrepreneurship opportunities for Aboriginal people. The Ministry worked with Alberta Human Resources and Employment (AHRE) to design the First Nations Training to Employment Partnerships Program (FNTEPP). The program is intended to address skill shortages and provide employment for First Nations people. Both ministries also contributed to development of the First Nations Trades Training Project, a project within the FNTEPP.

AAND contributed to AHRE's publication for employers, *Diversity: A strategy to meet your need for skilled workers*. This publication fulfilled an objective of Prepared for Growth, the Province's labour force strategy, to develop an information resource that encourages employers to hire from non-traditional sources. *Diversity* also helps employers prepare to manage a diverse workforce.

AAND worked with the Metis Nation of Alberta Association (MNAA) Zone 1 to develop a Strategic Economic Development Initiative for the region. This capacity-building initiative is intended to help Metis communities in northeastern Alberta improve their abilities to partner with industry and increase access to economic opportunities.

As part of the Sturgeon Lake Cree Nation Partnership Project, AAND assisted with development of a process for the First Nation to take advantage of existing Memoranda of Understanding with industry. The Ministry also provided financial support to the Community Liaison Offices on Economic and Employment Promotion Programs (CLOEEPP) in Calling Lake and Wabasca. The offices facilitate partnerships toward community-based economic development.

AAND also provided financial support to the Canadian Executive Service Organization (CESO) for business development services to Metis entrepreneurs.

Consultation initiative: The *APF* identifies the need for a "proactive, made-in-Alberta consultation process." During 2002-03, AAND led a cross-ministry process to address the *APF* commitment to develop appropriate consultation processes. In addition, funding was secured for seven Alberta ministries to develop a province-wide consultation strategy. The Aboriginal Consultation Initiative will be implemented during 2003-04.

The *APF* commits the government to working with First Nations and industry to facilitate development of best practice guidelines for studies of public lands. Publication of the *Best Practices Handbook for Traditional Use Studies* was the result of over a year of collaboration between AAND and Alberta Energy, Aboriginal communities and Elders, the federal government, and industry. The *Handbook* is available upon request from the Ministry and is posted on the Ministry's website.

Government provided technical advice and financial support to eight First Nations toward completion of traditional use studies (Athabasca Chipewyan, Bigstone Cree Nation, Blood Tribe, Dene Tha', Driftpile, Sucker Creek, Sunchild and Swan River).

Aboriginal Policy Initiative: The Aboriginal Policy Initiative (API)–one of four cross-ministry priority policy initiatives–provides a mechanism for cross-ministry coordination to address *APF* commitments to action. AAND continued to lead this initiative, with support from co-champion ministries, Alberta Justice and Alberta Children's Services. API results for 2002-03 are reported in the section on Performance Measures for Goal 1.

Capacity-building: AAND supports capacity-building projects with Aboriginal communities and organizations, industry, and other partners. The long-term objective of these projects is to provide a lasting set of tools to better equip people for life's challenges and opportunities.

During 2002-03, the Ministry worked with the Aboriginal Women's Society of Edmonton to develop and implement an organizational plan and growth strategy. AAND assisted the Aseniwuche Winewak Nation (AWN) to establish a new governance system and hold its first election for a full board of directors. The Ministry also assisted AWN with completing a demographic profile of Aboriginal co-operatives and enterprises in the Grande Cache area. The Ministry's capacity-building work with Friendship Centres is reported under Goal 2.

Urban issues: The Aboriginal population continues to increase in Alberta's major cities. AAND is working with the federal and municipal governments, other provincial ministries, the Aboriginal community and other stakeholders to identify and address issues affecting urban Aboriginal people in Edmonton. In 2002-03, AAND supported a pilot project aimed at incorporating Aboriginal content into high-school curricula.

As a participating provincial department under the Western Economic Partnership Agreement (WEPA), AAND continued to support the Calgary Urban Aboriginal Initiative. This initiative is intended to improve access to and delivery of programs for Aboriginal people living in Calgary.

AAND coordinated Government of Alberta input into the Canada West Foundation Urban Aboriginal Research Project. The project published Volumes III and IV of its report series, *Urban Aboriginal People in Western Canada: Realities and Policies*. The results of this research will be used to develop future policy and program directions.

Social initiatives: AAND assists other Alberta ministries and agencies in developing programs and initiatives to address social issues in Aboriginal communities. During 2002-03, the Ministry assisted Alberta Children's Services and the Metis Nation of Alberta Association to develop and implement a Fetal Alcohol Syndrome prevention program for Metis people.

The Ministry provided advice and assistance to Alberta Learning toward development and implementation of a literacy strategy aimed at both parents and children. The Ministry participated in a national suicide prevention coalition including federal, provincial, First Nations, and Metis representatives. AAND is now working with other ministries to address issues related to Aboriginal youth suicide.

CONCLUSIONS AND CHALLENGES FOR GOAL 1

Through its activities to address the commitments to action in the *APF,* AAND assisted in developing new and redesigned programs directed toward serving the needs of Aboriginal people in Alberta. The Ministry prepared a report to the API Deputy Ministers' Steering Committee on its capacity-building pilot projects. The Ministry is currently involved in developing data-sharing agreements to enable the Government of Alberta to begin incorporating traditional use data into provincial land use planning and administration processes.

PERFORMANCE MEASURES FOR GOAL 1

The Ministry's performance measures for Goal 1 are intended to assess the Government of Alberta's progress toward implementation of the *APF.* The long-term measures associated with Government Business Plan Goal 6 address the gap in well-being and self-reliance of Aboriginal people compared with other Albertans.

Report on the cross-ministry Aboriginal Policy Initiative targets for 2002-03:
Annual targets for the cross-ministry Aboriginal Policy Initiative are developed by the Interdepartmental API Committee under the direction of the API steering committee consisting of eleven Deputy Ministers. The information presented on pages 25-29 was prepared for publication in *Measuring Up,* the Government of Alberta's annual report. It was based on information submitted to AAND by the ministries/agencies responsible for the various targets. AAND compiled the information to fit the format specified by Alberta Finance. The draft report was reviewed by the responsible ministries before publication in *Measuring Up.*

The API provides the Alberta government with internal mechanisms to address the commitments in the *Aboriginal Policy Framework (APF).* The API supports Government Business Plan Goal 6 and related strategies. During the first two years of the API (2000-02), the focus was on approval of the *APF* and development of key objectives and long-term (10-year) targets.

In this third year of the API (2002-03), more consistent and focused strategies have been further developed across relevant government ministries, with increasing emphasis on partnerships to address Aboriginal issues.

The four API objectives for 2002-03 are outlined on pages 26-29, with targets and results achieved for the year. Other noteworthy accomplishments that supported the API include:

- development of an Aboriginal tobacco framework as part of the Provincial Tobacco Reduction Strategy,
- initiation of the "Family Friend" home care project in the four eastern Metis Settlements,
- Aboriginal awareness training for 350 Alberta Mental Health Board staff,
- Government of Alberta support for, and participation in, the Treaty 7 125th Anniversary Commemoration,
- completion of the *First Nations, Métis and Inuit Education Policy Framework*,
- development of a Grade 10 social studies curriculum that includes Aboriginal justice,
- partnerships between Aboriginal communities, organizations and industry (more than 50 such partnerships exist in Alberta),
- introduction of the *First Nations Training to Employment Partnerships Program*, intended to address skill shortages and provide employment training for First Nations people, and
- development of *Diversity: A strategy to meet your need for skilled workers* (this publication for employers includes the Aboriginal workforce).

ABORIGINAL POLICY INITIATIVE

Purpose of API:
To improve the well-being and self-reliance of Aboriginal people and clarify federal, provincial and Aboriginal roles and responsibilities.

Related Government Business Plan Goals:
Goal #6 - The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans.

Ministry Champions:
- Aboriginal Affairs and Northern Development
- Justice
- Children's Services

API Objective #1: Improve the health status and well-being of Aboriginal people.

TARGET	RESULTS
Implement 3 to 4 additional addictions initiatives in Aboriginal communities.	> New addictions initiatives implemented with the St. Paul Friendship Centre, Mikisew Cree First Nation, Piikani Nation and Freedom River Counselling Group.
Implement 2 Early Childhood Development Initiatives for children and families and a Mental Wellness Health Promotion campaign in Aboriginal communities.	> Mental health early-intervention initiatives implemented in High Level and Piikani Nation. > Aboriginal mental wellness/health promotion campaign launched February 2003.
Increase the number of Aboriginal children who are permanently placed and the number of children returned to community care by an additional 10%.	> Bigstone Cree Nation/MaMowe CFSA Permanency Planning Project permanently placed 18 children. > During 2002-03, 1262 Aboriginal children entering government care returned to community care–22% increase over 2001-02.
Develop baseline data on a range of health utilization indicators to provide annual updateable data to measure improvement in health status among Registered Indians.	> General, updateable health indicators developed for the provincial First Nations population, with input from Alberta First Nations. > First Nations Health Service Study Report to be released June 2003.
Improve the identification of diabetes and reduce complications (blindness, amputations and renal failure) among Registered Indians.	> Continued work with health care partners to improve identification of diabetes, which improves treatment and reduces complications. Baseline data on complications now available: First Nations / General Population Blindness 0.8% / 0.7% Amputations 1.1% / 0.3% Renal Failure 2.0% / 1.4%
Increase the number of ongoing community-based Aboriginal health projects by 8%.	> Seven new projects funded under the Aboriginal Health Strategy Project Fund–a 28% increase in community-based primary health care projects.
Develop reporting methodology and report on fire statistics for Aboriginal communities.	> New electronic fire reporting system implemented in co-operation with Alberta First Nations. > First Nations fire statistics for 2001 to be included in Fire Commissioner's Office Annual Report.
Increase the number of Aboriginal communities with active Youth Justice Committees by 15%.	> Communities with active Aboriginal youth justice committees increased by 15% to 30.

API Objective #2: Support life-long learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures.

TARGET	RESULTS
Increase the number of Aboriginal students attending selected post-secondary institutions by 2%.	> The number of institutions that provided information on Aboriginal student enrolments doubled. > Enrolment at selected post-secondary institutions was 1,226 in 2001-02. > Due to differences in data collection methods, enrolment numbers are not strictly comparable from year to year.
Increase the percentage of Aboriginal students (with Registered Indian Status attending Alberta school jurisdictions under tuition agreements) achieving the Acceptable Standard on Grade 3, 6, and 9 Achievement Tests by 1%.	> Overall increase of more than 1% in Aboriginal students achieving the Acceptable Standard. > Data from 2001-02 test results. Data is limited to tuition agreement students and does not represent the Alberta Aboriginal student population as a whole.
Increase the total value of bursaries and the number of recipients of the Aboriginal Health Careers Bursary by an additional 8%.	> 12% increase in total value of bursaries–53 awarded, totalling $271,500. > Initiatives underway to encourage more applications.
Work with Aboriginal communities and education providers on voluntary data collection.	> Worked with school jurisdictions and post-secondary institutions that collect information on Aboriginal ancestry as part of the registration process. > Initiated communications with Aboriginal communities regarding voluntary self-declaration of Aboriginal ancestry on public school and post-secondary registration forms.
Collect baseline data on appreciation of Aboriginal culture at select Alberta parks and cultural facilities.	> Visitors to three Provincial Parks (sample size 1,290) rated Parks' success in promoting appreciation of Aboriginal history and culture. Unaudited results show "Excellent" or "Good" ratings from 97% for Writing-On-Stone (major Aboriginal focus) to 41% for Dinosaur Provincial Park (minor Aboriginal focus). > Visitors to six provincially owned heritage facilities (sample size 1,044) rated the understanding they gained about Aboriginal history and culture. Unaudited results show "Excellent" or "Good" ratings from 89-97%. > Survey data intended to further promote appreciation of Aboriginal culture at Provincial Parks, Protected Areas and Cultural/Historical Facilities.

API Objective #1: Improve the health status and well-being of Aboriginal people

TARGET	RESULTS

TARGET	RESULTS

API Objective #3: Increase the participation by Aboriginal people in the Alberta economy.

TARGET	RESULTS
Initiate 5 additional projects to provide training leading to employment in natural resource industries.	> Five new employment-oriented training projects developed with Aboriginal communities/organizations and private-sector partners. The projects, based in Bonnyville, Red Earth Creek, Atikameg and Edmonton, involved 130 First Nation and Metis trainees.
Establish and implement apprenticeship projects for Aboriginal people in two additional communities by March 31, 2003.	> Alberta Aboriginal Apprenticeship Project (AAAP), a joint initiative with the Aboriginal community, industry and the federal government, launched September 2002. > AAAP pilot projects in Fort McMurray, High Level and Edmonton.
Subject to demonstrated capacity, 100% of transportation and water projects undertaken on First Nation reserve or Metis Settlement land will include an Aboriginal content clause to supply labour, equipment or material.	> Six projects undertaken on First Nations reserve or Metis Settlement land in 2002-03. > All projects where the community demonstrated capacity to participate included clauses for Aboriginal participation.
Implement a pilot project with Statistics Canada to generate Aboriginal-specific Labour Force Survey data.	> Pilot project with Statistics Canada implemented to include Aboriginal "identifiers" in the monthly Alberta Labour Force Survey. > Preliminary results expected by fall 2003.
Increase to 10 the number of Aboriginal organizations participating in Regional Economic Development Alliances (REDAs).	> Enhanced participation in REDAs enables Aboriginal communities to take advantage of existing opportunities. > Nine Alberta First Nations and Metis Settlements now participate in REDAs.
Initiate an additional 3 to 5 capacity-building pilot projects with Aboriginal communities and other partners.	> Five capacity-building pilots initiated in 2002-03—including economic development, business planning and governance.

API Objective #4: Clarify federal/provincial/Aboriginal roles and responsibilities.

TARGET		RESULTS
Produce a strategic overview of Aboriginal participation in the Alberta economy by September 30, 2002.	>	Strategic overview of existing Aboriginal Participation in the Alberta Economy prepared for the Alberta/Canada Partnership Forum, June 2002.
Develop draft consultation policy and guidelines for consideration by Cabinet by November 30, 2002.	>	Consultation policy and principles approved in principle by Cabinet in August 2002, for the purpose of initiating discussion with the Aboriginal community, industry and other stakeholders.
Develop oil and gas consultation guidelines by March 31, 2003.	>	Oil and gas consultation guidelines developed–awaiting implementation of broader provincial consultation policy and guidelines.

Goal 6, Government Business Plan, long-term measures, 2000-2010:
This goal is intended to address socioeconomic disparities that exist between Aboriginal people and other Albertans in life expectancy, employment, and education. Census data provides the best information available at a provincial level to measure improvements in these disparities. Data from the 2001 Canada Census is expected to be available late in 2003.

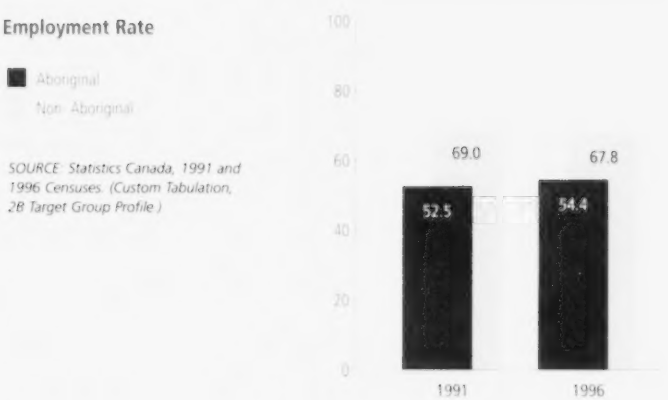
The four core measures associated with Government Business Plan Goal 6 are: employment rate, high-school completion, post-secondary completion and life expectancy.

Data on employment and educational attainment rates is from the 1991 and 1996 Canada Census, Custom 2B profiles, prepared by Statistics Canada for AAND. "Aboriginal" includes all census respondents who identified their ethnic origin (1991) or ancestry (1996) as "North American Indian," "Métis," or "Inuit." The employment rate is the employed population (aged 15 and over) divided by the total population, expressed as a percentage. Educational attainment data identifies the highest level of education completed. The percentages reported with "at least high-school completion" include anyone with high-school completion or a higher level of education (e.g., some post-secondary, post-secondary completion). The percentages reported with "post-secondary completion" include anyone with a trade certificate, post-secondary diploma or degree, and exclude those with some post-secondary education but no certificate, diploma or degree.

Data on life expectancy is published by the federal Department of Indian Affairs and Northern Development (DIAND) and pertains to Registered Indians only. Life expectancy estimates the expected years of life for persons born in that year,

assuming that age-specific mortality rates remain unchanged. DIAND estimates of life expectancy are based on observed age-specific mortality rates. Registered Indians are persons with status under the *Indian Act*, who are listed on the Indian Register maintained by DIAND.

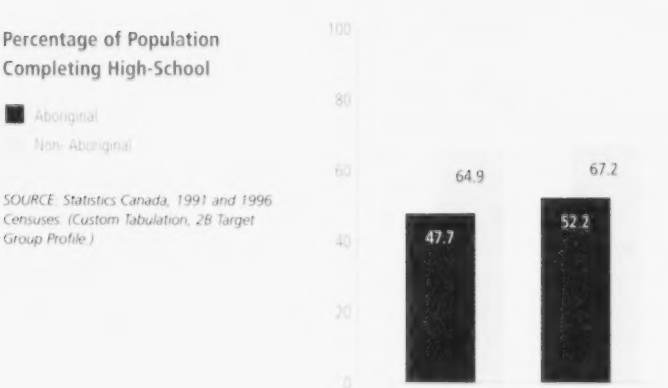
Employment Rate



SOURCE: Statistics Canada, 1991 and 1996 Censuses. (Custom Tabulation, 2B Target Group Profile.)

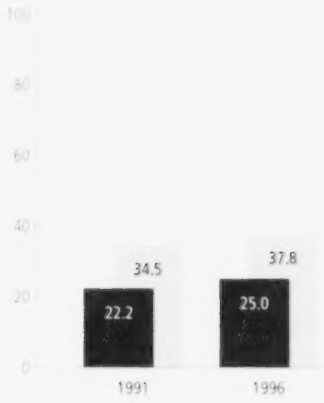
Employment Rate: The employment rate for the Aboriginal population increased from 52.5% in 1991 to 54.4% in 1996 but remained below the rate for non-Aboriginal Albertans.

Percentage of Population Completing High-School



SOURCE: Statistics Canada, 1991 and 1996 Censuses. (Custom Tabulation, 2B Target Group Profile.)

Educational Attainment: The proportion of Alberta's Aboriginal population age 15 and over with at least high-school completion increased from 47.7% in 1991 to 52.2% in 1996, but remained below the rate for non-Aboriginal Albertans (data from the 2001 census are not yet available).

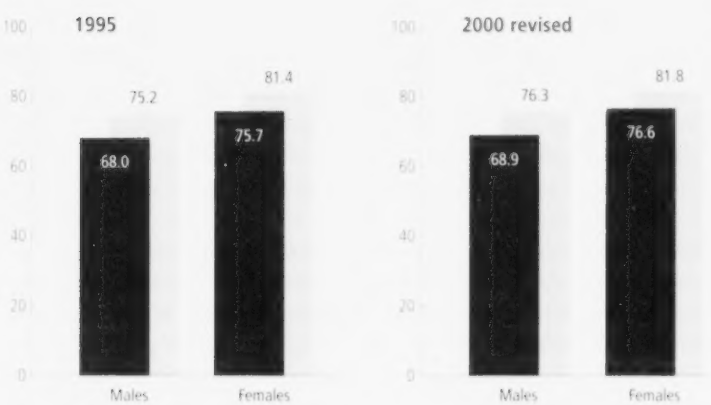


Percentage of Population Completing Post-Secondary

Aboriginal
Non-Aboriginal

SOURCE: Statistics Canada, 1991 and 1996 Censuses. (Custom Tabulation, 2B Target Group Profile.)

The proportion of Alberta's Aboriginal population age 15 and over with post-secondary completion increased from 22.2% in 1991 to 25% in 1996, but remained below the rate for non-Aboriginal Albertans (data from the 2001 census are not yet available).



Life Expectancy of Registered Indians and All Canadians

Registered Indians
All Canadians

SOURCE: Basic Departmental Data 2001, Information Management Branch, Department of Indian Affairs and Northern Development, Government of Canada, March 2002.

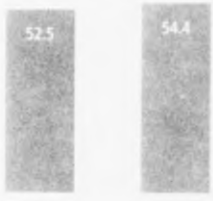
NOTE: Alberta estimates are not available.

Life Expectancy: The difference in life expectancy between Registered Indians and other Canadians is approximately seven years for males and five years for females.

Aboriginal strategies and initiatives are identified in 75% of Alberta ministry business plans. AAND acts as a facilitator for other Alberta ministries to address Aboriginal issues and develop relationships with Aboriginal communities. One indicator of the impact of AAND's activities is the number of Alberta ministries with Aboriginal strategies or initiatives identified in their business

assuming that age-specific mortality rates remain unchanged. DIAND estimates of life expectancy are based on observed age-specific mortality rates. Registered Indians are persons with status under the *Indian Act*, who are listed on the Indian Register maintained by DIAND.

Employment Rate



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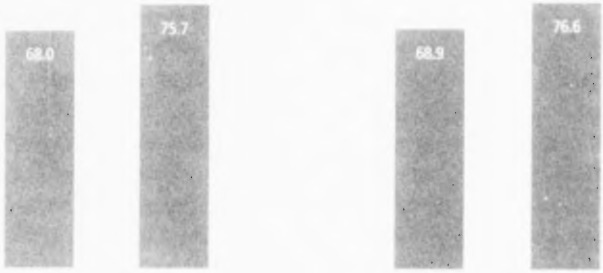
Percentage of Population Completing High School

Educational Attainment: The proportion of Alberta's Aboriginal population age 15 and over with at least high-school completion increased from 47.7% in 1991 to 52.2% in 1996, but remained below the rate for non-Aboriginal Albertans (data from the 2001 census are not yet available).



Life Expectancy: The difference in life expectancy between Registered Indians and other Canadians is approximately seven years for males and five years for females.

plans. AAND prepares a report that summarizes all Aboriginal-specific content in other ministry business plans. For the 2002-05 planning cycle, 20 of 24 Alberta ministries (83%) identified Aboriginal strategies or initiatives in their business plan. This result exceeded AAND's target of 75%.

Goal 2: Aboriginal Relations

To strengthen working relationships with Aboriginal governments, communities and organizations.

INTRODUCTION

Alberta has diverse relationships with Aboriginal governments and organizations, including government-to-government relations with First Nations and Metis Settlements and administrative arrangements with Aboriginal organizations. In addition, Alberta participates in a variety of processes involving federal and provincial-territorial governments and national Aboriginal organizations. AAND strives to strengthen relationships with Aboriginal governments, organizations and communities.

Government-to-government relations: Enhancing relations with Alberta First Nations is a priority for AAND. During 2002-03, the Ministry engaged with numerous Alberta First Nations on a variety of issues (see also Goals 1 and 4). An agreement was reached with three First Nations to develop a partnership project. In March 2003, Alberta and the Athabasca Tribal Council (ATC) agreed on a process to establish effective working and consultative relationships, with a focus on resource development activities and opportunities. Discussions continue with eight First Nations toward economic and skills development partnership projects.

AAND coordinated provincial government participation in the Alberta Chiefs' Summit process and in the Treaty 6, 7 and 8 Elders' Conference (held at Wabasca in August 2002). The Ministry assisted in facilitating Aboriginal input into strategies being developed by other provincial ministries (e.g., *Water for Life*, Alberta's draft strategy for sustainability).

AAND also works on a government-to-government basis with Metis Settlements. Results for Metis Settlements are reported under Goal 3 (page 38).

Administrative arrangements with Aboriginal organizations:
Metis Nation of Alberta Association (MNAA): Under the terms of the *Alberta/MNAA Framework Agreement* signed in 1999, the Ministry provides the MNAA, including the six Regional Councils, with core funding. AAND participated with other provincial ministries in ongoing engagement with MNAA to facilitate

effective participation by Metis people in developing and accessing provincial government policies, programs, initiatives, resources, and services. *Framework Agreement* activities during 2002-03 focused on housing, economic development, and a proposed Metis Cultural Heritage Interpretive Centre.

Friendship Centres: The Ministry has been working with the twenty Friendship Centres across Alberta to assist them in improving their governance and internal planning processes. During 2002-03, AAND conducted regional business plan and performance measures workshops for the Friendship Centres. Nineteen of the twenty centres submitted business plans to the Ministry, showing overall improvement in goals, strategies, and performance measures.

The Ministry also assisted the Alberta Native Friendship Centre Association (ANFCA) in initiating a review of its governance policies and processes. This review is directed toward helping the ANFCA to develop options for a new governance structure for board meetings and committees.

Federal/Provincial-Territorial/Aboriginal (FPTA) processes: The Ministry participates in a number of ongoing processes involving federal and provincial-territorial governments and provincial or national Aboriginal organizations. Ministry involvement in these processes aims to ensure that Aboriginal people in Alberta benefit from national-level initiatives. FPTA activities during 2002-03 included:

Alberta/Canada Partnership Forum: This forum was established in 2001-02 to provide an opportunity for the provincial government to work with the federal government and Alberta Aboriginal organizations (Treaties 6, 7 and 8; the Metis Settlements General Council; and the Metis Nation of Alberta Association) on practical projects to address issues of concern to all parties. During 2002-03, the forum produced a strategic overview and analysis of Aboriginal participation in the Alberta economy. Three subcommittees were established to examine possibilities for co-operation in the areas of education, training and employment, and implementation of SuperNet in Aboriginal communities.

FPTA Ongoing Process: This process involves the federal government, all provincial and territorial governments, and five national Aboriginal organizations. During 2002-03, the FPTA Ongoing Process established a national Aboriginal Youth Advisory Committee. AAND coordinates Alberta participation in this initiative to gather feedback on policy and program development and to raise issues of importance to Aboriginal youth. The Ministry also facilitated participation of Aboriginal entrepreneurs in a National Business Summit held in Toronto in February 2003 and a Western Business Summit held in Saskatoon in March 2003.

Western Ministers and Deputy Ministers Process: This process involves the four western provinces and three territories. It allows Ministers and Deputy Ministers to raise issues of common concern and develop collaborative approaches. Ministers and Deputies last met in Victoria in February 2003, and agreed to develop a coordinated approach to information-sharing on policies and programs.

Metis Nation of Alberta Association (MNAA) and Metis Settlements Tripartite Processes: The Ministry provides technical support to the MNAA Association Tripartite Process that coordinates activities between the MNAA and the federal and provincial governments. Results during 2002-03 included participation in provincial and federal committees and councils; drafting of successful proposals to leverage project funding in areas such as tobacco use, diabetes programming and economic development; and mentoring inner-city Metis students. The Ministry also participates with Canada and the Metis Settlements General Council in the Metis Settlements of Alberta Tripartite Process. AAND will continue to participate in the process to develop future work plans.

Cross-cultural awareness: AAND promotes cross-cultural awareness to improve understanding and inclusiveness of Aboriginal people within the Alberta public, industry, and government. The Ministry also strives to improve dissemination of information about government.

September 2002 marked the 125th Anniversary of the signing of Treaty 7. AAND coordinated provincial support for and participation in the Commemoration Event held at Blackfoot Crossing on the Siksika Reserve.

AAND supported ceremonies and celebrations throughout the year, including Metis Week cultural events, a signing ceremony to mark settlement of the Cold Lake Specific Claim, and Alexander First Nation's celebration of the 125th anniversary of its adhesion to Treaty 6. The Ministry supported National Aboriginal Day activities–held throughout Alberta from June 17-21, 2002. AAND also worked with Alberta Community Development and the Indigenous Sports Council of Alberta to secure funding for the Alberta team's attendance at the 2002 North American Indigenous Games held in Winnipeg from July 29 to August 4, 2002.

To enhance awareness and understanding, AAND produced publications intended for Aboriginal communities, government and other interested parties: the quarterly *Guide to Aboriginal Organizations in Alberta*, statistical publications and a new twice-yearly newsletter, *Aboriginal Framework News*. AAND developed a Traditional Values and Beliefs Workshop and a new Ministry website was launched during 2002-03.

The provincial government's Service Alberta website (www.servicealberta.ca) now includes an "Aboriginal service bundle" linked to all relevant provincial ministry websites. AAND also coordinated Alberta input into the federal Aboriginal "portal" (www.Aboriginalportal.com) that includes information on federal and provincial programming and links to national Aboriginal organizations.

AAND worked with Alberta Human Resources and Employment and Statistics Canada to implement a pilot project to collect off-reserve Aboriginal-specific data as part of the monthly Alberta Labour Force Survey. This project is intended to improve the government's baseline data on socioeconomic indicators for Aboriginal people in Alberta.

CONCLUSIONS AND CHALLENGES FOR GOAL 2

AAND has continued to work to improve relations between Alberta ministries and Aboriginal people and to raise awareness and inclusiveness of Aboriginal people among the Alberta public. According to results from surveys of the Ministry's partners and stakeholders, one-third (34%) of partner respondents agreed ("strongly agree" or "agree") that over the past two years, relations between the Government of Alberta and Aboriginal people have improved. Forty-four percent (44%) of stakeholder respondents perceived relations between the Government of Alberta and Aboriginal people to have generally improved over the past two years.

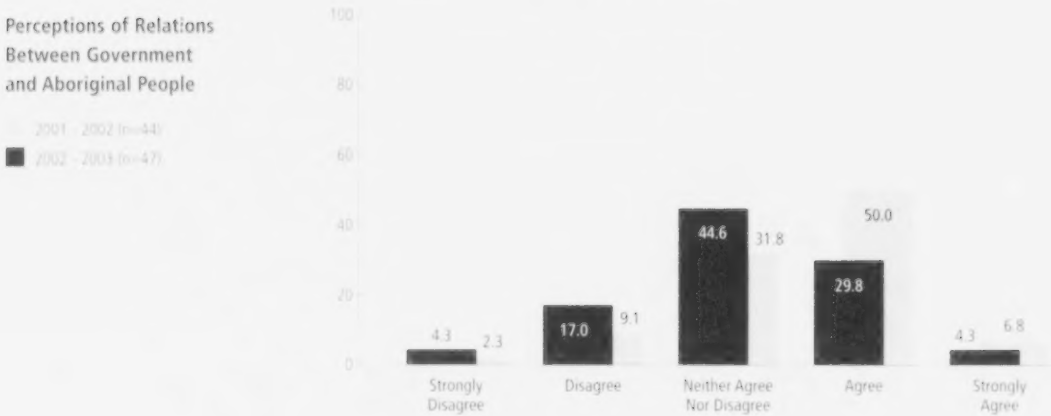
PERFORMANCE MEASURES FOR GOAL 2

AAND engaged an independent consultant to conduct surveys of the Ministry's partners and stakeholders. Telephone surveys were conducted between December 3 and December 17, 2002. Partners included senior officials from Alberta departments involved in development and delivery of the *Aboriginal Policy Framework*, the cross-ministry Aboriginal Policy Initiative, and other provincial programming directed toward Aboriginal people. Stakeholders included elected and appointed representatives from various Aboriginal organizations and officials from private corporations, industry, Aboriginal service groups, the federal government and select community organizations.

Other ministries report satisfaction in their relations with AAND and relationships with Aboriginal governments, communities, and organizations. The target for 2002-03 is 75%. A total of 58 partners participated in the survey. One-third (34%) of partners agree ("strongly agree" or "agree") that over the past two years, relations between the Government of Alberta and Aboriginal people have improved. This is a decline from 57% in 2001. The largest percentage of respondents in 2002 (45%) neither agreed nor disagreed with the statement. The increasing engagement across a broad range

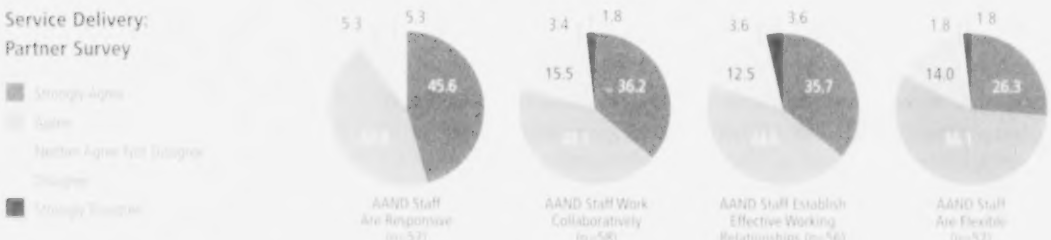
of issues has brought home to many ministries the difficult questions to be resolved. Finding solutions that satisfy often-conflicting and varied interests has been a challenge. This past year has also seen increased media attention on and internal government awareness of long-standing issues.

Perceptions of Relations Between Government and Aboriginal People

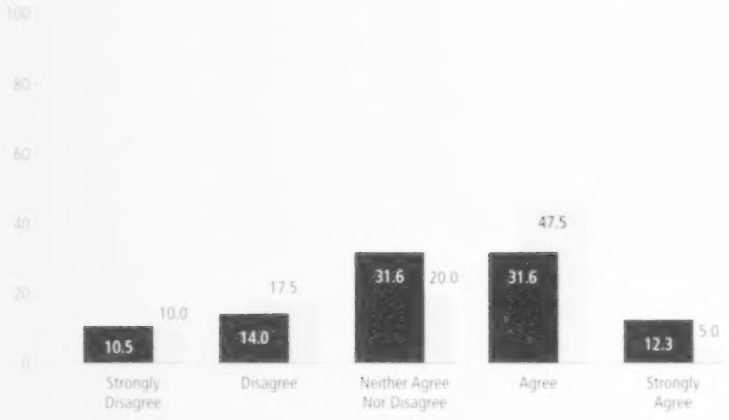


Nine out of ten partners surveyed (89%) agreed ("strongly agree" and "agree") that AAND staff are responsive (see following pie charts). As well, more than three-quarters of respondents agreed that AAND staff work collaboratively (79%), have established effective working relationships (80%), and are flexible (82%). These results indicate that partner satisfaction with AAND staff improved over last year. (In 2001-02, partner responses were as follows: staff are responsive - 88%; staff work collaboratively - 78%; staff establish effective working relationships - 76%; and staff are flexible - 75%.)

Service Delivery: Partner Survey



Aboriginal governments and organizations report satisfaction in their relations with AAND and the Government of Alberta. The target for 2002-03 is 55%. A total of 58 stakeholders participated in the survey. Forty-four percent (44%) of stakeholders surveyed perceived relations between the Government of Alberta and Aboriginal people to have generally improved over the past two years. This is a decline from 53% in 2001. Perceptions of improving relations between the Government of Alberta and Aboriginal communities are stronger among stakeholders than in government.



The pie charts below indicate that two-thirds (67%) of stakeholder respondents agreed that AAND staff are responsive. Further, over half of respondents agreed that AAND staff work collaboratively (54%), are flexible (60%); and have effective working relationships (52%). "Responsiveness" and "collaboration" ratings decreased compared to last year (2001-02 results were 70% and 59%, respectively), while "flexible" and "effective working relationship" ratings increased (2001-02 results were 55% and 44%, respectively).

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Service Delivery Partner Survey

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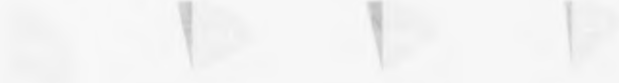
Service Delivery Stakeholder Survey



Goal 3: Metis Settlements

To assist in furthering accountable, self-administering, self-reliant, self-regulating Metis Settlement governments.

INTRODUCTION

In November 1990, Alberta proclaimed legislation establishing a unique form of government on the Metis Settlements. The Metis Settlements legislation *(Metis Settlements Act; Metis Settlements Land Protection Act; Constitution of Alberta Amendment Act, 1990;* and *Metis Settlements Accord Implementation Act)* establishes the only Metis land base and the only legislated Metis government in Canada. The legislation establishes the statutory responsibilities and powers of both the government and the Metis Settlements governing institutions.

Each of the eight Metis Settlements is administered by a five-person Settlement Council, elected by the membership. Settlement Councils determine membership and land allocations and may also make settlement bylaws. The Metis Settlements General Council (MSGC) deals with matters that affect the collective interests of all eight Settlements. MSGC policies are binding on both the Council and all Metis Settlements. The MSGC consists of elected councillors from all eight Settlements and a four-person elected executive.

Governance: Accountable and effective governance structures are key to achieving the Ministry's goal. The Metis Settlements Transition Commission (MSTC) was an independent corporation established in 1990 to assist both the Metis Settlements and the Government of Alberta with implementing the Metis Settlements legislation. The mandate of the MSTC expired on March 31, 2002, with its responsibilities assumed by the MSGC and the Ministry.

Dissolution of the MSTC and transfer of business planning and performance measurement functions to the MSGC has enabled the General Council to take ownership of their planning processes relating to governance and administration. A Business Planning and Performance Measurement Agreement between the MSGC and the Ministry includes a capacity-building element to assist the Settlements in developing knowledge and skills to entrench these functions for the long term.

During 2002-03, the Ministry assumed administrative responsibility for the Metis Settlements Land Registry. The Minister also undertook a review and appointment process for the government appointees to the Metis Settlements Appeal Tribunal (MSAT), including the Chair.

AAND worked with MSGC to develop Terms of Reference for the Comprehensive Review Process. This process is a government-to-government initiative intended to establish a formal forum for discussion to address various Metis Settlement issues.

Financial and political accountability: The Metis Settlements legislation and associated agreements contain various mechanisms to ensure financial and administrative accountability, including approval of budgets by Settlement members, audit requirements and performance-related funding.

A key focus for the Ministry during 2002-03 was establishment of the Office of the Metis Settlements Ombudsman on April 1, 2003. Ministerial authority pursuant to the *Metis Settlements Act* was delegated to this office. Processes and protocols were developed for assessing and investigating complaints. The Office of the Metis Settlements Ombudsman is based on recommendations from the *Task Force to Review the Mandate of the Metis Settlements Appeal Tribunal,* 1999 (the Ducharme Report). The task force recommended an impartial, independent office to investigate complaints by Settlement members of unfair treatment and conflicts of interest on the part of Settlement councillors.

Over the next year, the Office of the Ombudsman will work with the Ministry, MSAT and MSGC to clarify roles, responsibilities, and reporting relationships between the entities involved in Metis Settlement governance.

Self-reliance: One principle of the Metis Settlements legislation is to encourage economic self-reliance. The Matching Grants Replacement Agreement (MGRA) between the Ministry and the MSGC sets out the respective contributions of Government and Settlements toward the costs of local government. The Ministry and MSGC completed an amendment to the MGRA during 2002-03, with reduced contributions from Government, which are to be offset by Metis Settlement self-generated revenues. The MSGC also assumed responsibility for assessing Settlement business plans and allocating performance-related funding.

CONCLUSIONS AND CHALLENGES FOR GOAL 3

The new Office of the Metis Settlements Ombudsman (MSO) is another step toward accountable, self-regulating Metis Settlement government. The long-term goal of both the Ministry and the MSGC is self-governance, including MSAT and MSO.

The need to establish a forum for formal discussion (the Comprehensive Review Process) delayed complete implementation of the Ducharme Report. The Ministry expects to address remaining recommendations in partnership with the MSGC.

A key focus for the next year is amending the Metis Settlements legislation. The Ministry, in collaboration with MSGC, will draft legislative amendments intended to improve governance structures and empower the MSGC to plan effectively for post-2007.

PERFORMANCE MEASURES FOR GOAL 3

The Ministry's performance measures for Goal 3 are intended to indicate the Metis Settlements' progress toward accountability, self-regulation, and self-reliance.

Increase the percentage of Metis Settlement self-generated revenues by 2%. This measure is intended to document the level of revenue generated by Settlements that could be used to support the cost of local governments, in preparation for the termination of the Matching Grants Replacement Agreement (MGRA). Under the terms of the MGRA signed in 1997 (and amended since then), the contributions by the Province to individual Settlement governments will continue to decline.

Based on information provided to the Ministry by the MSGC, a baseline of "self-generated" revenues can be calculated for the year ending March 31, 2002. The total amount of revenue generated by all eight Settlements from industrial taxation, user fees, and levies is $3,731,349.

This performance measure identified issues specific to data sources and collection, including the need for an agreed-upon process to track Settlement-generated revenues. There is also a need to consider possible future legislative, regulatory, or policy amendments to ensure access to this information by Settlement members and government, and standardization of data collection across the Settlements.

The Ministry will work with the Metis Settlements in the next year to improve data sources and clarify financial accountability protocols.

Metis Settlements General Council adoption of a revised administrative structure in preparation for the assumption of some Metis Settlements Transition Commission responsibilities. Dissolution of the Metis Settlements Transition Commission represents a major step in the evolution of Metis Settlements governance structures. This measure was intended to demonstrate progress toward the goal of self-administering, self-reliant, self-regulating Metis Settlement governments.

The MSGC assumed responsibility for business planning and performance-measurement functions during 2002-03 and is developing internal capacity in relation to these functions.

The Metis Settlements General Council and all Settlements have business plans with performance indicators. 2002-03 was the first year that the Metis Settlements assumed sole responsibility for developing their business plans with corresponding budgets. All Settlements are required to submit business plans,

including performance indicators, to the MSGC. The MSGC has assumed responsibility for reviewing individual Settlement business plans and allocating performance-related funding based on the review. During 2002-03, seven Settlements submitted business plans to the MSGC. One Settlement failed to provide a business plan and did not receive its performance-related funding for the year.

Goal 4: Land Claims and Other Claims Involving the Province

To resolve land claims and other claims by Aboriginal people concerning the Province.

INTRODUCTION

Under the *Natural Resources Transfer Agreement*, Alberta received constitutional authority for the administration and control of Crown lands and resources. The Province also agreed to transfer unoccupied land and minerals to Canada as required to assist the federal government in meeting its treaty obligations for Indian reserves. Alberta is committed to fulfilling its constitutional obligations in this regard, and has done so in eleven treaty land entitlement settlements since 1986. These settlements have provided First Nations with resources to increase their participation in the Alberta economy.

In addition to land claims, Aboriginal people may make other claims concerning the Province. Alberta prefers negotiation to litigation and uses litigation as a last resort, in the event that negotiation and other avenues toward settlement are unsuccessful.

Land claims: AAND coordinates Alberta participation in land claims negotiations between Canada and First Nations to ensure that the obligations of the Province have been met. The number of claims resolved varies from year to year, as each claim typically involves a complex process requiring in-depth research, negotiations, and implementation that satisfies the interests of all parties.

During 2002-03, AAND was involved in negotiations on four active land claims. The Ministry reached an agreement-in-principle on the Fort McKay treaty land entitlement (TLE) claim. Negotiations continue on the Fort McMurray, Bigstone and Lubicon TLE claims.

With regard to implementation of claims, the Ministry drafted legal descriptions and initiated the transfer of Storm/Star lands under the Loon River Claim Settlement Agreement. The Ministry also drafted legal descriptions in preparation for the transfer of community lands.

Other claims involving the Province: In December 2002, the Piikani/Canada/Alberta Settlement Agreement was fully executed by all parties. This agreement marked the successful culmination of several years of negotiations after Alberta signed a Protocol Agreement with the Piikani Nation (formerly Peigan Nation) in October 1998. The negotiations addressed Piikani concerns regarding access to water flowing through their community and the impact of the Oldman River Dam on the community.

The settlement agreement supports Piikani initiatives and the continued development of positive relationships among the parties; puts to rest some long-standing issues between the parties; and provides economic opportunities for the Piikani Nation, including some involving the Oldman River. Alberta has begun work on a follow-up Environmental Impact Assessment–committed to in the settlement agreement–on the impacts of the Oldman River Dam on the Oldman River Valley as it flows through the Piikani Nation. Government completed repairs to the Lethbridge Northern Irrigation Headworks and canal, as per the settlement agreement. The agreement also included the settlement of a costly and protracted litigation, and Alberta looks forward to an enhanced positive relationship with the Piikani Nation in the years to come.

Alberta, Canada and the Athabasca Chipewyan First Nation also reached an agreement in principle on an exchange of 33,000 acres of additional provincial Crown land as reserves for the First Nation in return for the surrender of an equal amount of existing reserve land. In this and other negotiations, AAND protects third-party interests by maintaining contact and addressing concerns. In this particular negotiation, the Ministry respected the interests of Metis trappers.

CONCLUSIONS AND CHALLENGES FOR GOAL 4

During 2002-03, AAND continued its work to settle land claims in a manner that promotes certainty and is fair and equitable to all parties. For example, the Ministry facilitated settlement of the Cold Lake specific claim through the sale of 5,000 acres of provincial Crown land to the federal government at fair market value for setting aside as reserve land for the Cold Lake First Nation.

PERFORMANCE MEASURES FOR GOAL 4

Performance measures have not been developed for land claims or other claims involving the Province, since the number of claims resolved is largely dependent on factors external to the Ministry. Interim progress on land claims negotiations cannot be reported, based on the need for negotiations to be kept confidential until agreement is reached.

Goal 5: Northern Development

To establish priorities for northern opportunities, and increase awareness and support among government and key stakeholders for those priorities.

INTRODUCTION

In addition to Aboriginal Affairs, the Ministry mandate includes northern development. The Ministry participates in a number of ongoing processes involving federal and provincial-territorial governments, with a focus on northern issues. The Ministry also coordinates involvement in provincial strategy development to ensure northern issues receive prominence and the uniqueness of Northern Alberta is respected.

The Northern Alberta Development Council (NADC) is a council of and for northerners, that aims to advance northern social and economic development. The NADC works in partnership with the private sector, communities, economic development agencies, Aboriginal groups, and government ministries to help achieve AAND's northern goals. Communication with Northern Albertans is a high priority for the NADC, given the importance of northern development activity to the provincial economy.

Communication with Northern Albertans: The NADC's members represent all areas of Northern Alberta and have a strong commitment to advancing the North. The Council's engagement activities provide forums for Northern Albertans to express their views and address key opportunities and challenges. The Ministry and the NADC hold ongoing meetings with municipal governments, industry, Aboriginal communities, and other northern stakeholders.

During 2002-03, the NADC held key leaders meetings in Grande Prairie, St. Paul, Athabasca, and Fahler. A meeting was also convened for Northern Members of the Legislative Assembly. Planning continued for the 2003 Challenge North Conference.

Opportunities Seminars in St. Paul and High Prairie provided information on employment and partnership opportunities. Sixty delegates attended each function, which featured tradeshows as well as speakers from business, industry, government, and Aboriginal organizations.

While there has been tremendous growth in certain parts of Northern Alberta, other areas still lack basic services such as infrastructure, road connections, and effective access to education. A sustained focus on planned development will be required to balance rapid growth with socioenvironmental interests.

Economic diversification: The Ministry advanced economic opportunities in various sectors including tourism, value-added agriculture and forestry, recycling, and water conservation.

Tourism: The NADC coordinated the Deh Cho Travel Connection marketing strategy and brochure project to promote tourism for future economic development in Northern Alberta and the southern Northwest Territories (NWT). The Council participated on the planning committee for the Northern Alberta Tourism Research Centre and on the board of the Alberta North Tourism Destination Region. A focus for the future will be to increase the Aboriginal component of future Alberta tourism initiatives.

Value-Added Forestry and Agriculture: The Ministry participated in an interdepartmental initiative to monitor the impact of tariffs on softwood lumber exports to the United States. Work continued with the Alberta Beef Team to attract beef producers to the Peace Region and support enhancement of the northern bison industry. The Council's work with the Alberta New Crops network focused on research to identify specific crops (e.g., medicinal herbs) that would be successful in the North, and to develop global marketing strategies. The Council continued its leadership role with the Peace Value-Added Agriculture Group to investigate new agricultural diversification initiatives. The NADC also developed an outline for an agricultural land potential study in the High Level to Fort Nelson area. Ministry participation in the Sustainable Development Coordinating Committee maintains a northern focus on provincial value-added initiatives.

Recycling Initiatives and Water: The NADC provided technical support to Northern Coordinated Action for Recycling Enterprises (Northern CARE) for development of a business plan and communication strategy. As a result of recommendations from an NADC-sponsored water basin report, the Prairie Farm Rehabilitation Administration (PFRA) initiated groundwater assessments. During 2002-03, northern municipalities increased access to water-assistance programs. The Ministry also continues to work with Alberta Environment on river-basin planning and review of the draft provincial water strategy.

Recruitment and retention of labour: A major initiative during 2002-03 was the development and launch of the "Opportunity North" recruitment campaign–including a website (www.opportunitynorth.ca), an interactive CD-Rom, and brochures. The Opportunity North initiative is intended to assist northern employers to recruit staff to Northern Alberta. The campaign was announced at the Northern Focus Human Resources Management Conference, which was organized by the Ministry and held in Fort McMurray in October 2002.

Interjurisdictional initiatives: The Ministry plays a key role in advancing Northern Alberta's interests through interjurisdictional initiatives. During 2002-03, the Ministry represented Alberta in the Alberta-Northwest Territories Memorandum

of Understanding (MOU) for Co-operation and Development. A three-year plan to implement the MOU was adopted along with strategies for co-operative action regarding tourism and education/skill development.

In September 2002, Alberta hosted a meeting of federal and provincial-territorial ministers responsible for northern development in Peace River. The Northern Development Ministers' Conference resulted in adoption of a three-year action plan and development of a Northern Awareness Enhancement Campaign.

The Minister of AAND represents Alberta and serves as North American vice-president of The Northern Forum, an international consortium representing 25 northern government jurisdictions.

The Ministry represents Alberta in discussions with British Columbia on northern issues of mutual concern; the Ministry is also beginning to collaborate with Saskatchewan on such issues.

CONCLUSIONS AND CHALLENGES FOR GOAL 5

A draft communication strategy was developed to inform Northerners and other key stakeholders of the North's needs, interests and opportunities. Increased awareness of northern opportunities and priorities continues as a longer-term outcome, along with improved infrastructure and other benefits from development of northern resources.

PERFORMANCE MEASURES FOR GOAL 5

AAND's performance measures for Goal 5 are intended to assess the effectiveness of the NADC's processes toward identifying northern opportunities and priorities, and increasing awareness and support among government and key stakeholders for those priorities.

Majority of delegates to the 2003 Challenge North Conference support the identified priorities. The NADC hosts a major conference every three years to gather input from northern stakeholders. The 2003 Challenge North Conference took place in Fort McMurray in April 2003. Results are not yet available and will be reported in AAND's 2003-04 annual report.

Participants in NADC processes state that these are an effective mechanism for input: achieve an average rating of 8 out of 10. Seventy-two participants at the Leaders' Roundtables were asked to submit evaluations; 51 were received. Of the participants who expressed an opinion of the effectiveness of the meeting for sharing information and informing the NADC

of development issues and opportunities, the average rating was 8.4 out of 10, which exceeded the Ministry's target of 8 out of 10. The average rating for 2002 was 8.8.

NADC project partners and clients believe our project work promoted an opportunity or addressed a northern challenge: achieve an average rating of 8 out of 10. An independent consultant conducted a random telephone survey of 99 of 141 identified project partners.* The survey was conducted during May 2003, and covered fiscal year 2002-03. Results are reliable to within 5% at a 95% confidence interval.

Of the respondents who expressed an opinion, 96% believed the NADC's project work promoted an opportunity or addressed a barrier to northern development (2002 - 98%). Respondents were also asked to rate their level of satisfaction with NADC's "contribution to advancing northern interests" on a scale of 1 to 10 (1=very dissatisfied; 10=very satisfied). Ninety-five percent (95%) of respondents rated their satisfaction at 6 or higher (2002 - 92%). The average rating was 8.4 (2002 - 8.1), which exceeded the target of 8 out of 10.

Goal 6: Skill Development

To increase skill levels of Aboriginal and Northern Albertans.

INTRODUCTION

Skill development is critical for sustaining economic development in Northern Alberta. The North is already experiencing skill shortages in a number of areas such as health care. Progress in relation to northern skill development is reported below. Skill development for Aboriginal people is a key component of the *APF* discussed under Goal 1.

NADC bursary programs: NADC bursary programs provide funding for Northern students to train in occupations where there are shortages of northern labour. As part of this program, students are required to return to the North to work upon completion of their education. The NADC provided 274 bursaries to northern students: 127 from the Bursary Program and 147 from the Bursary Partnerships Program (BPP). This is an increase from 257 bursaries provided in 2001-02 (114 from the Bursary Program and 143 from the BPP).

* One shortlisted project partner refused to answer the survey, ten were out of town, seven could not be reached due to out-of-date contact information, and twenty were not available (they did not answer or return calls, after six attempts).

Northern information clearinghouse: Continued support is provided to the Northern Labour Market Information Clearinghouse–a joint initiative between the NADC and five northern Alberta colleges. The clearinghouse provides timely information on northern economic and employment trends and opportunities and training needs. During 2002-03, nine reports were completed on current employment trends and training needs in Northern Alberta.

Northern LINKS: The Ministry and the NADC continued their efforts to increase educational attainment among Aboriginal and Northern Albertans. Northern LINKS is a long-standing program aimed at easing the transition from high-school to post-secondary education. Sixty-six Northern LINKS projects were approved in 2002-03, including campus tours, career fairs, orientation sessions, and mentorship programs. Thirty-seven projects were directed toward Aboriginal students. Results from the Northern LINKS program are reported in the Performance Measures section (page 47-48).

Youth Apprenticeship Learning Opportunities Project: The NADC continues to promote and participate in the Youth Apprenticeship Learning Opportunities Project being coordinated by Alberta Learning. The goals of the project are to increase northern student awareness of possible career opportunities in the trades, while providing an opportunity for an earlier start to apprenticeship training.

CONCLUSIONS AND CHALLENGES FOR GOAL 6

Increasing education levels among Aboriginal and Northern Albertans is a long-term focus for the Ministry. The NADC's programs are aimed at increasing students' financial capacity to access employment-related post-secondary training and at encouraging northern students to complete Grade 12.

PERFORMANCE MEASURES FOR GOAL 6

Goal 6 performance measures are intended to assess the effectiveness of NADC bursary and Northern LINKS programs. These programs contribute to increased skill levels of Northern Albertans, which ultimately address skill shortages.

Provide bursaries to students in northern health practicum placements: 50 bursaries. The NADC intended to introduce a northern health bursary program in 2002-03 to assist students seeking health practicum placements to travel to Northern Alberta. The program was envisioned to provide Northern experience for students and to assist Regional Health Authorities (RHAs) in recruiting to address healthcare worker shortages. Province-wide reorganization of RHAs late in the fiscal year delayed implementation of this program to 2003-04.

Bursary Partnerships Program matching funds committed: $135,000. The target for the Bursary Partnership Program was to confirm $135,000 in matching funding from partners. The actual amount committed was $210,000, as indicated in the following table:

	2000-01	2001-02	2002-03
Partner Contribution Target	$ 125,000	130,000	135,000
Number of Bursaries	132	143	147
Partner Contribution Received	$ 135,700	163,300	210,000
BPP Portion	$ 136,450	140,800	153,500

SOURCE: Bursaries database

NADC bursary recipients return service rate: 75%. As part of the NADC bursary program, students are required to enter into a reciprocal agreement to work in the North upon completion of their education. The return service rate measures compliance with this obligation. The rate includes both those students in the process of completing their return service and those who have completed their obligation. Seventy-eight percent (78%) of NADC bursary recipients returned to work in the North after completing their education in 2002-03, exceeding the Ministry's target (see table below).

	2000-01	2001-02	2002-03
Return of Service Target	75%	75%	75%
Return Service Rate	78%	74%	78%
Years Used in Calculation	'98/ '99/ '00	'99/ '00/ '01	'00/ '01/ '02

SOURCE: Bursaries database

Northern LINKS program student participants who indicate their participation in the Northern LINKS project will ease their transition and encourage program completion: achieve an average rating of 8 out of 10. The performance measure for Northern LINKS is the percentage of students planning to pursue post-secondary/trades education who expect their participation in the program to ease their transition and encourage program completion.

In 2002-03, $421,430 in Northern LINKS funding was approved for 66 projects. A total of 2,356 students provided feedback to the NADC. When asked how the project helped them to plan for post-secondary education (1=poor; 10=excellent), respondents provided an overall rating of 7.5 out of 10 (2002 - 7.9 out of 10). The decline in ratings could be attributable to first-time delivery of the program to junior high-school students, who may be less likely to appreciate its relevance.

Goal 7: Human Resources

To build an effective and valued Ministry through the development of its human resources.

INTRODUCTION

During 2002-03, AAND continued development and implementation of a Ministry human resource (HR) plan that reflects all Corporate Human Resource Plan priorities. The Ministry's HR plan complements the overall Government of Alberta Human Resource Development Strategy, a key cross-ministry administrative initiative.

Effective capacity-building and engagement with stakeholders require a highly functioning and healthy corporate environment. AAND's shared human resources staff creates and implements personal and professional development plans. Activities and results related to implementation of the Ministry's HR plan during 2002-03 are as follows:

Skill development: One focus for the Ministry was development of knowledge, skills, and abilities of staff to meet or exceed the challenges outlined in the Ministry business plan through effective learning strategies. The Ministry developed and implemented a training plan to achieve departmental core competency requirements.

Performance planning and management: AAND strives to ensure that all employees have the skills necessary to achieve current and future goals through effective performance planning, performance management, and learning plans. AAND managers now have learning plans incorporated into their performance plans.

Leadership development and succession planning: AAND focuses on meeting long-term human resource needs through effective staffing, leadership development, and succession planning. During the past year, Executive Managers and the Deputy Minister actively supported and participated in Executive Manager Training through the Corporate Executive Development Program. Within the department, suitable candidates are available for most key leadership positions.

Corporate recognition: An important aspect of HR planning is to create a supportive environment that values recognition of the contributions and commitment of staff at all levels.

Results in each of the above areas are assessed through the Alberta Public Service Corporate Employee Survey (see Performance Measures for Goal 7).

CONCLUSIONS AND CHALLENGES FOR GOAL 7

The desired outcome of human resource development within the Ministry is the provision of effective service to clients, stakeholders and partners. The Ministry's stakeholder and partner surveys (see Goal 2, Performance Measures) indicate that the Ministry will be challenged to continue to meet increasing stakeholder and partner expectations.

PERFORMANCE MEASURES FOR GOAL 7

AAND measures progress toward its human resources goal using the Corporate Employee Survey administered annually across the Alberta Public Service (APS). Fifty-eight percent (58%) of Ministry staff participated in the 2002 Corporate Employee Survey. The margin of error for AAND employee survey results is no greater than +/-8.5% at a 95% confidence interval. For the APS as a whole (APS averages), the sample size was 7,068, with a margin of error no greater than +/-1% at a 95% confidence interval.

Key results related to the Ministry's 2002-05 business plan strategies are as follows:

Skill development: Ninety-four percent (94%) of departmental managers surveyed agreed that their employees have the skills and knowledge to meet current requirements of the job. This is above the APS average result of 90%.

Performance planning and management: Eighty-one percent (81%) of managers agreed that their employees have the skills and knowledge to meet future job requirements. This is slightly below the APS average of 83%.

Leadership development and succession planning: Fifty percent (50%) of managers agreed that they are able to attract the employees they need–within 4% of the APS average. Eighty-one percent (81%) of AAND managers agreed they are able to retain the talent they need (18% higher than the APS average).

Corporate recognition: Fifty-nine (59%) of AAND employees were satisfied with non-monetary recognition they received for their work–11% higher than the APS average. Fifty-nine percent (59%) of employees agreed that the Ministry provides recognition for their contribution to progress on business goals. This is 17% higher than the APS average.

Future Corporate Planning Direction

In response to the 2002 Report of the Financial Management Commission, all ministries were required to change the focus of their business plans and link their goals to core business expenditures. AAND reduced the number of goals from seven to five and the number of performance measures from sixteen to nine. Changes to the Ministry's goals and performance measures for 2003-06 are outlined in the table below:

Business Plan Goals and Performance Measures

2002-05		2003-06
GOAL 1: To lead or support implementation of commitments to action in the Aboriginal Policy Framework. - Report on the Aboriginal Policy Initiative Targets for 2002-03. - Government Business Plan Goal 6 long-term measures, 2000-10. - Aboriginal strategies and initiatives are identified in 75% of Alberta ministry business plans. GOAL 2: To strengthen working relationships with Aboriginal governments, communities and organizations. - Aboriginal governments and organizations' satisfaction with AAND and the Government of Alberta. The target for 2002-03 is 55%. - Other ministries' satisfaction in their relations with AAND and relations with Aboriginal governments, communities and organizations. The target for 2002-03 is 75%.	>	GOAL 1: To provide strategic and co-ordinated responses to improve the participation of Aboriginal people in Alberta's social and economic opportunities. - Report on the results of the objectives and targets, identified in the cross-ministry Aboriginal Policy Initiative for 2003-04, which show improvements for Aboriginal people. - Maintain the government's public approval rating on Aboriginal Affairs higher than British Columbia, Saskatchewan, Manitoba and Ontario government averages. Supplementary Measures: - Analysis of Canada Census data. - Aboriginal Policy Initiative, long-term measures, 2000-2010.
GOAL 3: To assist in furthering accountable, self-administering, self-reliance, self-regulating Metis Settlement governments. - Increase the percentage of Metis Settlement self-generated revenues by 2%. - Metis Settlements General Council adoption of a revised administrative structure in preparation for the assumption of some Metis Settlements Transition Commission responsibilities. - The Metis Settlements General Council and all Settlements have business plans with performance indicators.	>	GOAL 2: To promote self-reliant and self-regulating Metis Settlement governments. - Two-per-cent (2%) increase in Metis Settlement self-generated revenues. - Metis Settlements General Council and Settlements have performance indicators included in all business plans. - Establish a baseline of infrastructure development on Metis Settlements.

Future Corporate Planning Direction

In response to the 2002 Report of the Financial Management Commission, all ministries were required to change the focus of their business plans and link their goals to core business expenditures. AAND reduced the number of goals from seven to five and the number of performance measures from sixteen to nine. Changes to the Ministry's goals and performance measures for 2003-06 are outlined in the table below.

Business Plan Goals and Performance Measures

2002-05	2003-06
GOAL 1: To lead or support implementation of commitments to action in the Aboriginal Policy Framework Report on the Aboriginal Policy Initiative Society for 2002-03 Government Business Plan Goal 8 long-term measure, 2002-10 Aboriginal strategies and initiatives identified in 75% of Alberta ministry business plans	GOAL 1: To provide strategic and coordinated responses to improve the participation of Aboriginal people in Alberta's social and economic opportunities Report on the results of the objectives and targets identified in the new ministry Aboriginal Policy Initiative for 2003-04, which will ask ministries for Aboriginal people Maintain the government's public approval rating of Aboriginal affairs issues from Angus Reid's Public Opinion Monitor and Alberta government averages Supplementary Measures: Aboriginal Policy Initiative Society Measure, 2002-2013
GOAL 2: To strengthen working relationships with Aboriginal governments, communities and organizations Aboriginal governments and organizations' satisfaction with AAND and the Government of Alberta. The target for 2002-03 is 90% Other ministries' satisfaction in their relations with AAND and relations with Aboriginal governments, communities and organizations. The target for 2002-03 is 85%	
GOAL 3: To assist in furthering accountable, self-administering, self-governing, self-regulating Metis Settlement governments Increase the percentage of Metis Settlement self-generated revenues by 2% Metis Settlements General Council adoption of a revised administrative structure in preparation for the assumption of some Metis Settlements Transition Commission responsibilities The Metis Settlements General Council and all Settlements have business plans with performance indicators	GOAL 2: To promote self-reliant, self-regulating Metis Settlement governments Two per cent (2%) increase in Metis Settlement self-generated revenues Metis Settlements General Council and Settlements have performance indicators included in all business plans Establish a baseline of infrastructure development in Metis Settlements

Business Plan Goals and Performance Measures (cont'd)

2002-05		2003-06
GOAL 4: To resolve land claims and other claims by Aboriginal people concerning the Province. · No performance measures have been developed for this goal.	>	GOAL 3: To facilitate the resolution of land claims and other claims by Aboriginal people concerning the Province. · No performance measures have been developed for this goal.
GOAL 5: To establish priorities for northern opportunities, and increase awareness and support among government and key stakeholders for those priorities. · Majority of delegates to the 2003 Challenge North Conference support the identified priorities. · Participants in NADC processes state that these are an effective mechanism for input: achieve an average rating of 8 out of 10. · NADC project partners and clients believe our project work promoted an opportunity or addressed a Northern challenge: achieve an average rating of 8 out of 10.	>	GOAL 4: To advance development of Northern Alberta. · Northern leaders, project partners and clients report satisfaction with NADC's contribution in advancing Northern interests. The target is an average rating of 8 out of 10. · Achieve a NADC Bursary recipients' return service rate of 75%.
Goal 6: To increase skill levels of Aboriginal and Northern Albertans. · Provide bursaries to students in Northern health practicum placements: 50 bursaries. · Bursary Partnerships Program matching funds committed: $135,000. · NADC Bursary recipients return service rate: 75%. · Northern LINKS program student participants who indicate their participation in the Northern LINKS project will ease their transition and encourage program completion: achieve an average rating of 8 out of 10.		
GOAL 7: To build an effective and valued Ministry through the development of its human resources. · The Ministry will measure its human resource development using the corporate Human Resource Development Strategy targets as reported through the annual Corporate Employee Survey.	>	GOAL 5: To achieve organizational excellence. · Staff understand their link to the business plan as measured by the annual Corporate Employee Survey: achieve an average rating of 8 out of 10. · Staff satisfaction with learning opportunities and support as measured by the annual Corporate Employee Survey: achieve an average rating of 7.5 out of 10.

Financial Statements

March 31, 2003

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- Schedule 7 Allocated Costs

AUDITOR GENERAL *Alberta*

Auditor's Report

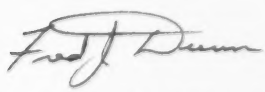
To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Aboriginal Affairs and Northern Development as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policy that is an exception from Canadian generally accepted accounting principles. Capital assets costing less than $15,000 have been expensed in the year acquired and have not been recognized as assets in the accompanying statement of financial position. Consequently, the annual amortization of these assets has not been recognized in the statement of operations. In my opinion, an amount of approximately $849,000, representing the net book value of these assets as at March 31, 2003, should be recognized in these financial statements. The effect of this understatement of assets is to understate expenses by approximately $687,000 for the year ended March 31, 2003.

In my opinion, except for the effects of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.



Fred J. Dunn, FCA, AUDITOR GENERAL
Edmonton, Alberta
May 23, 2003

STATEMENT OF OPERATIONS

For the year ended March 31, 2003
(in thousands)

	Budget (Schedule 3)	2003 Actual	2002 Actual
REVENUES			
Other Revenue	$ 45	493	172
	45	493	172
EXPENSES - DIRECTLY INCURRED			
Voted (Schedules 2 and 4)			
Aboriginal Affairs	10,236	44,085	9,316
Metis Settlements Appeal Tribunal	923	930	919
Northern Development	1,954	1,953	1,829
Metis Settlements Governance	7,069	6,743	8,859
	20,182	53,711	20,923
Statutory (Schedules 2 and 4)			
Metis Settlements Legislation	10,000	10,000	10,000
Valuation Adjustments			
Provision for Vacation Pay	-	39	106
Provision for Doubtful Account	-	1	-
	10,000	10,040	10,106
	30,182	63,751	31,029
NET OPERATING RESULTS	$ (30,137)	$ (63,258)	$ (30,857)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at March 31, 2003
(in thousands)

	2003	2002
ASSETS		
Cash	$ 23	540
Accounts Receivable	30	517
Advances	7	6
	$ 60	1,063
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 3)	$ 19,784	3,813
NET LIABILITIES		
Net Liabilities at Beginning of Year	(2,750)	(2,302)
Net Operating Results	(63,258)	(30,857)
Net Transfer from General Revenues	46,284	30,409
Net Liabilities at End of Year	(19,724)	(2,750)
	$ 60	1,063

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2003
(in thousands)

	2003	2002
OPERATING TRANSACTIONS		
Net operating results	$ (63,258)	(30,857)
Non-cash items		
Valuation adjustments	40	106
	(63,218)	(30,751)
Decrease (Increase) in Accounts Receivable and Advances	486	(243)
Increase (Decrease) in Accounts Payable and Accrued Liabilities (Note 3)	15,931	1,125
Cash Used by Operating Transactions	(46,801)	(29,869)
FINANCING TRANSACTIONS		
Net Transfer from General Revenues	46,284	30,409
Net Cash Provided (Used)	(517)	540
Cash at Beginning of Year	540	-
Cash at End of Year	$ 23	540

The accompanying notes and schedules are part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2003

NOTE 1 AUTHORITY AND PURPOSE

The Department of Aboriginal Affairs and Northern Development operates under the authority of the *Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000.*

The purpose of the Ministry of Aboriginal Affairs and Northern Development is to lead in the development of government-wide strategies and policies to improve the well-being and self-reliance of Aboriginal people; to promote development of northern Alberta; and to guide Alberta's relations with Aboriginal and northern governments, communities and organizations and other partners.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

A. Reporting Entity

The reporting entity is the Ministry of Aboriginal Affairs and Northern Development for which the Minister of Aboriginal Affairs and Northern Development is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer to/from General Revenues is the difference between all cash receipts and all cash disbursements made.

B. Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenue, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 1 discloses information on the Ministry's dedicated revenue initiative.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- pension costs which comprise the cost of employer contributions for current service of employees during the year
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals. The fair values of the financial assets are estimated to approximate their book values. Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Accounts receivable are non-interest bearing and unsecured.

Advances represent amounts provided to Ministry employees for travel expenses and are non-interest bearing and recoverable on demand.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. The Ministry has no capital assets exceeding these thresholds.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end. The fair value of accounts payable and accrued liabilities is estimated to approximate their book value.

Net Liabilities

Net liabilities represents the difference between the values of assets held by the Ministry and its liabilities.

NOTE 3 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2003	2002
Accounts Payable	$ 1,907	681
ACCRUED LIABILITIES		
Manpower	182	85
Supplies and Services	17,057	1,759
Grants	144	841
Vacation Pay	484	445
Other	10	
	19,784	3,813

NOTE 4 COMMITMENTS

As at March 31, 2003, the Ministry has a commitment of $40 million (2002 - $50 million) under the *Metis Settlements Accord Implementation Act*. The Act requires payment of $10 million per year until April 1, 2006.

In 1997 an agreement was signed suspending Sections 7, 8 and schedule 1 of the *Metis Settlements Accord Implementation Act*. These sections outlined future obligations with respect to matching of the amount the Metis Settlements Council collected from eligible sources each year until March 31, 2002, and provided for matching grants in the years from April 1, 2002 to March 31, 2007. As future obligations cannot be determined, these sections of the agreement have been replaced with annual amendments that provide for the current year's allocation.

A Matching Grants Replacement Agreement between the Ministry and the Metis Settlements General Council provides for a commitment of funding to the Metis Settlements General Council of $5,272,000 (2002 - $6,269,000).

The Ministry has commitments to pay $1,000,000 over the next three years under protocol agreements and memoranda of understanding with First Nations.

The Ministry has a commitment to pay $15,150,000 over the next six years under a settlement agreement with a First Nation. $2,650,000 will be paid in 2003-04 and thereafter the annual commitment is $2,500,000.

As at March 31, 2003, the Ministry also had service contract and grant contract commitments totaling $362,000 (2002 - $453,000).

NOTE 5 CONTINGENT LIABILITY

The Province, as represented by the Ministry of Aboriginal Affairs and Northern Development, has a contingent liability in respect of 37 claims (2002 - 35) concerning Aboriginal rights, Indian title and treaty rights. In most cases, these claims have been filed jointly and severally against the Province of Alberta and the Government of Canada, and in some cases involve third parties. Of these claims, 21 (2002 - 21) have

specified amounts totaling $64,447 million (2002 - $64,447 million) plus a provision for interest and other costs that are not now calculable. The other 16 claims (2002 - 14) have not specified any amounts. At this time, the outcome of these claims cannot be determined. In addition, there are 4 treaty land entitlement claims (2002 - 4 claims) for which Alberta may have an obligation under the Natural Resource Transfer Agreement.

NOTE 6 DEFINED BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $254 (2002 - $227) for the year ended March 31, 2003.

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of $301,968 (2001 - surplus $5,338) and the Public Service Pension Plan reported an actuarial deficiency of $175,528 (2001 - actuarial surplus $320,487). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of $6,472 (2001 - actuarial deficiency $399).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of $14,434 (2002 - $8,646) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $3,053 (2002 - $2,656). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 7 COMPARATIVE FIGURES

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

NOTE 8 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Senior Financial Officer and the Deputy Minister.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 1

Dedicated Revenue Initiatives

For the year ended March 31, 2003
(in thousands)

	2003		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	(Shortfall) / Excess
Northern Alberta Labour Market Clearing House	$ 45	36	[1] (9)

Northern Alberta Development Council partners with post-secondary institutions to sponsor a Northern Labour Market Information Clearing House, which provides employment and economic data with a focus on industry and employment driven training needs.

[1] Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 3 and 4 to the financial statements.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 2

Expenses - Directly Incurred Detailed by Object

For the year ended March 31, 2003
(in thousands)

	2003 Budget	2003 Actual	2002 Actual
VOTED			
Grants			
Metis Settlements Governance	$ 6,269	6,269	8,860
Aboriginal Affairs	3,021	3,193	2,896
Northern Development	425	399	296
	$ 9,715	9,861	12,052
Salaries, Wages and Employee Benefits	4,479	4,380	3,909
Supplies and Services	5,935	39,192	4,741
Support Service Arrangements with Related Parties (a)	-	201	145
	$ 5,935	39,393	4,886
Financial Transactions and Other	53	77	76
	$ 20,182	53,711	20,923
STATUTORY			
Grants			
Metis Settlements Legislation	$ 10,000	10,000	10,000
Valuation Adjustments			
Provision for Doubtful Accounts	-	1	-
Provision for Vacation Pay	-	39	106
	$ 10,000	10,040	10,106

(a) The Ministry receives financial reporting, payroll, and human resource services from the Ministry of Learning. The Ministry also receives information technology services, financial, and administrative services from the Ministry of International and Intergovernmental Relations.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 3

Budget

For the year ended March 31, 2003
(in thousands)

	2002-2003 Estimates	Adjustment (a)	2002-2003 Budget	Authorized Supplementary (b)	2002-2003 Authorized Budget
REVENUES					
Other Revenue	$ 45	-	45	-	45
	$ 45	-	45	-	45
EXPENSES - DIRECTLY INCURRED					
Voted Expenses					
Aboriginal Affairs	$ 10,236	-	10,236	33,550	43,786
Metis Settlements Appeal Tribunal	923	-	923	-	923
Northern Development	1,954	-	1,954	-	1,954
Metis Settlements Governance	7,069	-	7,069	-	7,069
Dedicated Revenue Shortfall (Schedule 1)	-	(9)	(9)	-	(9)
	20,182	(9)	20,173	33,550	53,723
Statutory Expenses					
Metis Settlements Legislation	10,000	-	10,000	-	10,000
Valuation Adjustments					
Provision for Doubtful Accounts	-	-	-	-	-
Provision for Vacation Pay	-	-	-	-	-
	10,000	-	10,000	-	10,000
	30,182	(9)	30,173	33,550	63,723
NET OPERATING RESULTS	$ (30,137)	9	(30,128)	(33,550)	(63,678)

(a) Adjustment includes dedicated revenue shortfall.

(b) Supplementary Estimates were approved on Dec. 4, 2002 and Mar. 10, 2003.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 4

Comparison of Expenses - Directly Incurred by Element to Authorized Budget

For the year ended March 31, 2003
(in thousands)

	2002-2003					
	Estimates	Adjustment (a)	Authorized Supplementary (b)	Authorized Budget	Actual Expense (b)	Unexpended (Over Expended)
VOTED EXPENSES						
Aboriginal Affairs						
1.0.1 Minister's Office	$ 300		-	300	298	2
1.0.2 Ministry Support Services	1,429		-	1,429	1,483	(54)
1.0.3 Aboriginal Affairs	8,507		1,400	9,907	10,154	(247)
1.0.4 Land Claims	-		32,150	32,150	32,150	-
	10,236	-	33,550	43,786	44,085	(299)
Metis Settlements Appeal Tribunal						
2.0.1 Metis Settlements Appeal Tribunal	923	-	-	923	930	(7)
Northern Development						
3.0.1 Northern Development	1,954	-	-	1,954	1,953	1
3.0.1 Dedicated Revenue Shortfall (Schedule 1)	-	(9)	-	(9)	-	(9)
	1,954	(9)	-	1,945	1,953	(8)
Metis Settlement Governance						
4.0.1 Metis Settlements Transition Commission	-		-	-	-	-
4.0.2 Metis Settlements Funding	6,269		-	6,269	6,269	-
4.0.3 Land Registry	350		-	350	237	113
4.0.4 Ombudsman Office	450		-	450	237	213
	7,069	-	-	7,069	6,743	326
	$ 20,182	(9)	33,550	53,723	53,711	12
STATUTORY EXPENSES						
Metis Settlements Legislation	$ 10,000		-	10,000	10,000	-
Valuation Adjustments						
Provision for Doubtful Account	-		-	-	1	(1)
Provision for Vacation Pay	-		-	-	39	(39)
	$ 10,000	-	-	10,000	10,040	(40)

(a) Adjustment includes dedicated revenue shortfall.

(b) Supplementary Estimates were approved on Dec. 4, 2002 and Mar. 10, 2003.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 5

Salary and Benefits Disclosure

For the year ended March 31, 2003

	2003			2002
	Salary (1)	Benefits and Allowances (2)	Total	Total
Deputy Minister (3) (4)	$ 176,283	46,625	222,908	211,891
Executives				
Assistant Deputy Minister - Aboriginal Affairs	122,792	28,924	151,716	137,738
Executive Director - Northern Alberta Development Council	96,083	15,831	111,914	97,054
Executive Director - Strategic Services (4)	109,665	32,469	142,134	116,072
Executive Director - Aboriginal Land & Legal Issues (4)	111,954	35,001	146,955	122,036
Director - Corporate Services (4)(5)	90,682	14,725	105,407	84,955

Total salary and benefits relating to a position are disclosed.

(1) Salary includes regular base pay, bonuses, overtime and lump sum payments.

(2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(3) Automobile provided, no dollar amount included in benefits and allowance figures.

(4) Benefits and allowances include vacation payments to the Deputy Minister $0 (2002 - $8,159); the Executive Director, Aboriginal Land & Legal Issues $8,608 (2002 - $8,891); the Executive Director, Strategic Services $9,582 (2002 - $6,701); and the Director, Corporate Services $0 (2002 - $3,017).

(5) The incumbent's services are shared equally with the Ministry of International and Intergovernmental Relations, which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 6

Related Party Transactions

For the year ended March 31, 2003
(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties.

	2003	2002
EXPENSES - DIRECTLY INCURRED		
Supplies and services provided by other ministries	$ 465	342

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry receives services under contracts managed by the Ministry of Government Services (ACSC). Any commitments under these contracts are reported by the Ministry of Government Services (ACSC).

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 7.

	2003	2002
EXPENSES - INCURRED BY OTHERS		
Accommodation	$ 1,105	1,244
Legal Services	413	201
	$ 1,518	1,445

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 7

Allocated Costs

For the year ended March 31, 2003
(in thousands)

	2003						2002
		Expenses - Incurred by Others		Valuation Adjustments			
Program	Expenses(a)	Accommodation Costs	Legal Services	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Aboriginal Affairs	$ 44,085	735	411	39	-	45,270	10,544
Metis Settlements Appeals Tribunal	930	41	-		1	972	986
Northern Development	1,953	79	2			2,034	1,915
Metis Settlements Governance	6,743	250			-	6,993	9,029
Metis Settlements Legislation	10,000					10,000	10,000
	$ 63,711	1,105	413	39	1	65,269	32,474

(a) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

Alphabetical List Of Government Entities' Financial Statements

Entities Included in the Consolidated Government Reporting Entity

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Municipal Financing Corporation	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma Mowe Capital Region Child and Family Services Authority	

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Child and Family Services Authorities (cont'd):	Children's Services
Metis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCORE Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development	Economic Development
Ministry of Energy	Energy
Ministry of Environment	Environment
Ministry of Finance	Finance

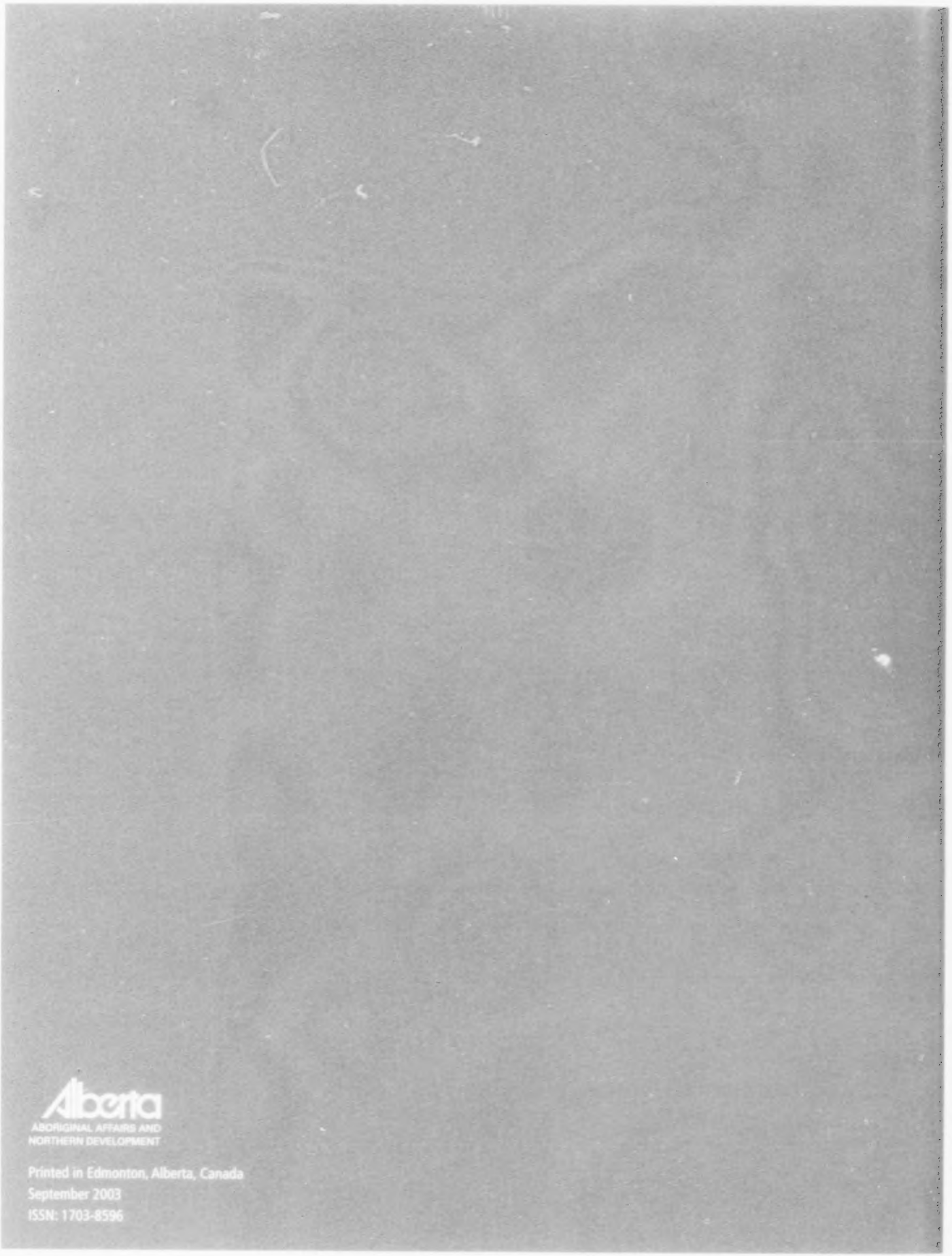
MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Ministry of Executive Council[1]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[1]	Human Resources and Employment
Ministry of Infrastructure[1]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice[1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Boards:	Community Development
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Michener Centre Facility Board [2]	
Northeast Region Community Board	
Northwest Region Community Board	
Provincial Board	
South Region Community Board	
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation, The	Community Development

[1] Ministry includes only the department so separate department financial statements are not necessary.

[2] Dissolved July 23, 2002

Entities Not Included in the Consolidated Government Reporting Entity

FUND OR AGENCY	MINISTRY ANNUAL REPORT
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Human Resources and Employment



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